

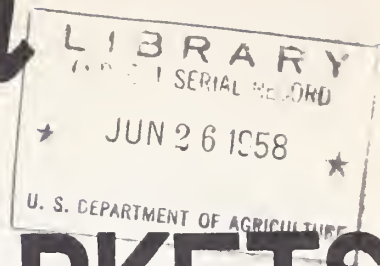
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# Foreign CROPS AND MARKETS



FOR RELEASE MONDAY, JUNE 23, 1958

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# U. S. TOBACCO EXPORTS DOWN IN APRIL

U. S. exports of unmanufactured tobacco in April 1958 totaled 22.8 million pounds, a drop of 25 percent from April 1957. The value, at \$14.9 million, was 28 percent below that of April a year ago.

Exports of all kinds of tobacco except Virginia fire-cured, Green River, Black Fat, and cigar binder and filler were below those of April 1957. Exports of flue-cured and Burley were off 22 percent and 39 percent, respectively, from the quantities moved in April 1957.

Exports of unmanufactured tobacco for the first 4 months of calendar 1958 totaled 105.3 million pounds--down 12.5 percent from exports of 120.4 million pounds a year earlier. For the first 10 months of the 1957-58 fiscal year exports came to 417 million pounds--down 3 percent from the same period in 1956-57.

TOBACCO, UNMANUFACTURED: U.S. exports, by type and export weight, January-April 1957 and 1958, with percent change

Type	April		Percent change	January-April		Percent change
	1957	1958		1957	1958	
	:1,000	:1,000	:	:1,000	:1,000	:
	:pounds	:pounds	:Percent	:pounds	:pounds	:Percent
Flue-cured.....	21,925	17,071	-22.1	92,394	76,787	-16.9
Burley.....	2,110	1,295	-38.6	7,600	10,213	+34.4
Dark-fired Ky.-Tenn.....	2,482	1,992	-19.7	7,861	7,536	-4.1
Va. fire-cured 1/.....	225	516	+129.3	1,663	1,786	+7.4
Maryland.....	2,272	682	-70.0	4,995	3,616	-27.6
Green River.....	189	314	+66.1	642	724	+12.8
One Sucker.....	467	28	-94.0	1,175	352	-70.0
Black Fat, etc.....	248	481	+94.0	1,113	1,376	+23.6
Cigar wrapper.....	298	212	-28.9	1,045	1,351	+29.3
Cigar binder.....	67	67	---	425	725	+70.6
Cigar filler.....	---	15	---	29	22	-24.1
Other.....	223	116	-48.0	1,451	828	-42.9
Total.....	30,506	22,789	-25.3	120,393	105,316	-12.5
Declared value (Million dollars).....	20.8	14.9	-28.4	81.5	73.8	-9.4

1/ Includes sun-cured.

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.



# SALES UP FOR FRENCH CIGARETTES CONTAINING U. S. TOBACCO

Sales of French cigarette brands containing light U. S. leaf tobacco made a significant gain in 1957. The 5 principal brands--Royale, Rallye, Balto, Weekend, and High Life--showed divergent sales trends, but consumption of these, in total, rose about 8 percent from 1956. Royale, an American-type, king-size, filter-tip cigarette showed the sharpest rise--from sales of 80 million pieces in 1956 to 272 million in 1957.

Consumption of cigarettes imported from the United States rose to 895 million pieces last year, compared with 772 million in 1956. Total French cigarette sales, domestic and imported, reached 43.1 billion pieces--up about 5 percent from 1956.

## MOROCCO INCREASES TOBACCO IMPORTS IN 1957

Morocco's imports of leaf tobacco in 1957 rose to 7.2 million pounds, compared with 6.0 million in 1956. Principal suppliers of leaf to the Moroccan market last year were, in order of importance, the Dominican Republic, Colombia, Brazil, Algeria, and Indonesia.

The United States furnished 467,000 pounds of leaf, mostly flue-cured. In addition to leaf imports, considerable quantities of trimmings and scrap were purchased from the United States.

### TOBACCO, LEAF: Morocco, imports by country of origin, 1955-57

Country of origin	1955	1956	1957
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Dominican Republic.....	558	1,819	1,246
Colombia.....	176	230	785
Brazil.....	888	650	754
Algeria.....	374	1,489	679
Indonesia.....	857	146	622
Argentina.....	---	---	520
United States.....	333	38	467
Others.....	867	1,632	2,158
Total.....	4,053	6,004	7,231

Source: Ministry of National Economy.

## U. K.'s FIRST QUARTER TOBACCO IMPORTS DOWN

The United Kingdom's imports of tobacco during the first quarter of 1958 dropped 20 percent below those for 1957. Imports for January-March 1958 totaled 39.1 million pounds, compared with 48.9 for the same period a year ago.

Flue-cured accounted for 87 percent of the first quarter 1958 figure. Compared with 1957, there were substantial declines in imports from Canada and the Federation of Rhodesia and Nyasaland. Takings of U. S. leaf were only slightly below those of a year ago--22.5 million pounds, compared with 23.0. The U.S. share in British tobacco imports for the January-March quarter of 1958 amounted to 58 percent, compared with 47 percent for January-March 1957.

## FINNISH CIGARETTE CONSUMPTION DROPS IN 1957

After a steady rise since 1945, Finland's cigarette consumption declined 8.5 percent in 1957 from the 1956 level.

Consumption reached a record high of 5,812 million cigarettes in 1956, but sharp retail price increases, following higher excise taxes imposed during 1957, sharply reduced sales last year to 5,317 million pieces. Lower consumer purchasing power also contributed to the decline in consumption. Cigarette sales in 1958 are expected to be no larger, and probably smaller, than last year's.

## U. S. WAS ANGOLA'S BEST CUSTOMER LAST YEAR

The United States was Angola's best export market last year, according to the 1957 Banco de Angola annual report. Angola shipped 27.03 percent of its exports, by value, to the United States. About two-thirds of the country's exports are agricultural. Diamonds are its chief non-agricultural export item.

Preliminary U. S. import statistics indicate that an even higher percentage of Angolan products came to this country, as some of the exports were transshipped to the United States. Coffee is the major U. S. import from Angola (about 70 percent of Angola's total coffee exports in 1957). Sisal, beeswax, fish meal, and canned fish are also important.

While the value and volume of Angola's 1957 exports to the dollar area increased over 1956, the value of Angola's imports exceeded that of its exports for the first time in 27 years. Despite sizable imports of U. S. flour, automotive equipment, and industrial products, the United States supplied only 13.53 percent of Angola's imports by value, according to the Banco de Angola.

## CUBAN AVOCADO EXPORTS MAY INCREASE

Trade sources estimate Cuban avocado production at about average for recent years. Exports, however, may be about 25 percent more than the 6.3 million pounds of last year, due to the drastically reduced Florida crop and prospectively higher U. S. prices. The marketing season will begin the latter part of June, about 2 weeks late.

## CANADIAN FRUIT SET HEAVY

Early trade reports indicate that fruit set has been heavy this spring throughout Canada. In some areas, heavy thinning will probably be necessary.

Fruit trees in Nova Scotia bloomed early, and there was no frost damage. In Ontario and Quebec, after being held back by cold May weather, trees now have an above-average set of fruit. Also in British Columbia fruit set is reported to be excellent, and no frost damage occurred there.

Canadian growers are already concerned about the very large crops which now appear likely, as exports to European markets will undoubtedly be lower than in 1957. European areas also are expecting substantially increased production this year.

URUGUAY ESTABLISHES EXPORT COMPENSATION SYSTEM  
FOR CERTAIN AGRICULTURAL PRODUCTS

Uruguay's foreign trade in agricultural products may be encouraged by a new system of exchange rate compensation, according to a decree of June 3, 1958.

The decree authorizes a recently established commission representing the Government Ministries and Bank of the Republic to grant additional compensation to exporters of Group A commodities. Exporters of these commodities receive 100 percent of the free commercial rate, fixed at 4.11 pesos per U. S. dollar, under Uruguay's retention quota exchange system.

Uruguayan export commodities fall within 6 exchange groups. Exchange rates for these groups may range from the controlled official rate of 1.519 pesos per U. S. dollar to 100 percent of the free commercial rate of 4.11 pesos. Compensation may be granted by the commission on Group A commodities when the free commercial rate is considered insufficient in view of production costs. Compensation may also be granted if considered otherwise justified on the basis of national interest.

With the decree, rates were fixed for additional commodity compensation as follows (in percent of the 4.11 rate): combed and carded wool textiles, 56; carded wool yarns, 27; apples, 41; butter and casein, 43. Other group A commodities which may be eligible for compensation in the future include: 1958 production of frozen beef, preserved meats, and cooked boneless beef; poultry; honey; linseed oil from the 1957-58 crop; edible oils; rice; and domestic wines.



## BRAZIL IMPORTING MORE U. S. WHEAT AND FLOUR

Brazil's imports of wheat and flour from the United States in calendar 1958 will amount to at least 730,000 metric tons, grain equivalent, almost all under Public Law 480. This will be nearly 43 percent of the country's expected imports of 1,700,000 metric tons from all countries this year. During 1957, total wheat and flour imports amounted to 1,475,000 metric tons, of which 489,000 metric tons came from the United States.

Brazil's need for increased imports of U. S. wheat and flour in 1958 is attributable to the below-average domestic crop harvested last December-January, and to small supplies available under trade agreements with Argentina and Uruguay, where crops also were below normal last year because of unfavorable growing conditions.

The 1957-58 Brazilian wheat crop was set back severely by heavy rains and generally unfavorable weather just before harvesting. High humidity encouraged stem and leaf rusts and root rot. In addition, there was probably a slight reduction in the acreage planted, due to rising production costs. As a result, the 1957-58 crop was estimated to be as much as 25 percent under the preceding year's harvest.

## MEXICO EXPANDING GRAIN SORGHUM PRODUCTION

A considerable expansion in Mexico's grain sorghum production is underway. It is expected that planted area will reach 85,000 hectares (210,000 acres) in 1958. In 1957, it totaled 72,000 hectares (177,900 acres). Production that year was estimated at 80,000 metric tons. With normal weather, 1958 yields will exceed those of last year since better varieties are being planted.

The Fuerte Valley in the State of Sinaloa is Mexico's largest grain sorghum producing area. Production in that state in 1957 amounted to 50,000 metric tons from 50,000 hectares (123,550 acres). This represented 69 percent of the country's total crop and 63 percent of the total grain sorghum area. The 1958 plantings there will probably be about the same as in 1957.

Interest in acreage expansion is mainly in the Yaqui Valley of the State of Sonora where yields of about 2.5 metric tons have been obtained on irrigated lands. Experimental plantings were started there in 1955. The first commercial plantings were in 1957. As much as 10,000 hectares (24,700 acres) probably will be planted in this valley in 1958. Farmers in the region have found it profitable to plant grain sorghums as a second crop after cotton and wheat.

There is also interest in promoting grain sorghum production in the Laguna district, where it is expected that about 300 hectares (740 acres) will be planted this year.

### GREECE NOT LIKELY TO IMPORT DURUM WHEAT IN 1958-59

After reviewing the country's wheat situation, the Greek Government has decided that current stocks of durum wheat and the prospective supply from the 1958 crop will probably eliminate the need for durum imports in 1958-59.

Purchases of locally grown durum under official price supports increased from 28,000 metric tons in 1956-57 to 45,000 tons in 1957-58. Such purchases will be even higher in 1958-59 if early forecasts of a total wheat crop of 1,800,000 tons are realized. As consumption of durum wheat has remained fairly constant, Greece is now able to meet its durum requirements without supplementary imports, most of which came from the United States in previous years.

### BRAZIL EXPORTING BEANS TO CUBA AND VENEZUELA

Brazil has authorized the exportation of Black beans. A cargo of 77,000 bags was to leave the port of Rio Grande (Southern Brazil) for the Caribbean area during the second week of June. Fifty-five thousand bags were destined for Cuba and 22,000 bags for Venezuela. The beans are polished, classified according to size, and packed in burlap bags holding 60 kilos each (about 132 pounds). Negotiations are underway to sell another 55,000 bags in Venezuela.

Brazil normally does not export or import many beans. Production in 1957 was estimated at 32 million bags for the third largest crop on record. The largest was 34 million bags in 1954, and the second largest, in 1955, was 32.5 million bags. Drought has been reported recently in the extreme northeastern sections of Brazil, where food supplies are now short. Undoubtedly southern Brazil will shunt some of its surplus into this area and relieve some of the pressure to export. The movement of beans from southern Brazil to the northern area is normal, the northern climate being less suited to bean growing than that in the south.

### SPAIN WILL IMPORT 110,000 SHORT TONS OF SUGAR IN 1958

Spain's Minister of Commerce has announced that 100,000 metric tons (110,000 short tons) of sugar will be imported in 1958. The need for imports is the result of greater consumption, smaller production, and widespread consumer hoarding during the first 3 months of 1958 following rumors of an impending sugar shortage.

Spain's sugar output in 1957-58 is estimated at 396,000 short tons, raw value. This is 76,000 short tons less than production in 1956-57.

# PAKISTAN HAS FIRST SALE OF LOCALLY GROWN COFFEE

Coffee beans grown in East Pakistan were sold commercially for the first time when 10 bags were recently auctioned at the Chittagong tea market, West Pakistan. Growers are said to be trying to expand production to take advantage of domestic demand.

# INDONESIA ENCOURAGING CLOVE PRODUCTION

Since 1950 Indonesia has been importing cloves instead of exporting them as it did in prior years. Imports in 1957, however, were only about 56 percent of those in 1956, due in part to some success of a campaign to increase clove production. Imports the past 2 years are as follows:

Origin	1956	1957
	<u>Pounds</u>	<u>Pounds</u>
British East Africa.....	21,606,103	14,929,551
Madagascar.....	6,463,887	861,998
Pulau Sambu.....	191,800	---
Total.....	28,271,790	15,791,549

In Sulawesi, 40,000 clove trees are reported to have been planted between September 1955 and September 1957. In North Sumatra, a 5-year plan to plant 9,884 acres was started in 1951; close to 3,000 acres of this amount is now said to have been planted. To encourage production, the government is propagating seedlings for sale to farmers at a low price. Most of Indonesia's cloves are used by the "Kretek" cigarette industry.

# U. S. PERMITS HORSEMEAT IMPORTS FROM ARGENTINA

U. S. imports of horsemeat and horsemeat products from Argentina have been permitted since May 20 following U. S. Department of Agriculture determination that the Argentine horsemeat inspection system is now satisfactory, and that such imports from Argentina, as well as from Mexico, are wholesome, produced under sanitary conditions, and fit for human use.

Pet food manufacturers have been importing much horsemeat from Mexico, and have been interested in obtaining supplies from other countries.



## ANGLO-AUSTRALIAN MEAT TALKS BEGIN

Negotiations between Australia and the United Kingdom to determine guaranteed minimum prices for Australian meat shipped to the United Kingdom began on June 16 at London.

Minimum prices for lamb and mutton for the 3 years beginning October 1, 1958, and beef and veal prices for the 3 years beginning October 1, 1961, are to be fixed by the negotiations, and will be part of the 15-Year-Meat-Agreement.

U. K. beef prices have increased about 6d. per pound during the past 8 weeks. The outlook is for smaller import supplies next year. Argentine cattle slaughter will probably continue to decline because of a reduction in numbers on farms. Dry conditions in Western Queensland and the Northern Territory of Australia are expected to reduce production of beef for export in those areas.

During 1957, the United Kingdom imported about 36 percent of its total beef requirements and 63 percent of its lamb and mutton.

## INDIAN CATTLE NUMBERS RISE

Indian cattle numbers, by far the highest in the world, increased 2 percent from 1951 to 159 million head in 1956, according to the Indian Ministry of Food and Agriculture. There has also been an increase in buffalo numbers, up 3 percent from 1957 to 45 million in 1956. Sheep numbers, at 39 million head, dropped 1 percent, while goat numbers rose 20 percent to 57 million in 1956. Horse numbers decreased 1 percent to about 1.5 million.

While the number of cattle rose, the number of cows dropped slightly, giving hope that cattle numbers may decrease. Buffalo cow numbers showed a slight rise. Uttar Pradesh, with 22,938,000 head of cattle and 9,781,000 head of buffalo, leads all Indian states in numbers.

## HUNGARIAN CATTLE NUMBERS DROP

Hungarian cattle numbers dropped during 1957 for the second consecutive year. Heavy slaughter during the rebellion in the fall of 1956, and continued large slaughter and exports in 1957, have caused a significant decrease in cattle numbers.

The Communist press has been critical of this drop in cattle numbers, and present plans call for some recovery during 1958. This would entail however, a sharp reduction in cattle slaughter and/or exports. Hungary is now an important source of cattle imports for both Austria and West Germany.



Hungarian hog numbers, which fell sharply during 1956, have recovered and are now at a level which satisfies the present regime. Although further increases in hog numbers may be expected, no concentrated effort is planned to raise numbers as with cattle. Sheep numbers, at 2,049,500 head, reached a new high in 1958.

LIVESTOCK NUMBERS: Hungary, March 1954-58, with percent change from previous year

Year	Cattle		Hogs		Sheep		Horses	
	Number	Change	Number	Change	Number	Change	Number	Change
	<u>1,000</u>	<u>Percent</u>	<u>1,000</u>	<u>Percent</u>	<u>1,000</u>	<u>Percent</u>	<u>1,000</u>	<u>Percent</u>
1954.....	2,075	-7	4,454	-11	1,869	+14	683	-
1955.....	2,128	+3	5,818	+30	1,857	-1	711	+4
1956.....	2,170	+2	6,056	+20	1,930	+4	729	+3
1957.....	1,973	-9	4,996	-28	1,873	-3	725	-1
1958.....	1,936	-2	5,338	+7	2,050	+9	724	-

Source: Hungarian Central Statistics Bureau.

SOVIETS PURCHASE INDIAN  
CARPET WOOL

The Soviet Union has contracted to buy 6 to 6½ million pounds of Indian carpet wool between the end of March and May 21, 1958, according to Indian trade sources.

The Soviets are paying about 65 to 70 cents f.o.b. for Bikanere White and 56 to 62 cents for Vicanere White. Ninety percent of the purchases are said to be of these two types--among the best for carpet purposes. Prices paid are about 15 to 20 percent below January values due to lack of demand from the United States and the United Kingdom--India's two principal markets.

The U.S.S.R. is buying on a clean scoured basis rather than the clean fiber basis requested by U. S. buyers. However, Russian buyers pay only 90 percent against shipment, with the balance payable within 120 days after the wool is received. This is to facilitate settlement of claims against the suppliers; Indian sources state, however, that no claims have been made since the Soviet Union first began large-scale buying of Indian wool in 1956. This factor, plus the Russians' buying at a time when demand from Western markets was slow, has favorably impressed Indian wool trade circles.

# AUSTRALIAN WOOL SUPPLIES SMALL AS SEASON NEARS CLOSE

Because of drought and the disposal of a relatively large part of the clip during the early months of the season, Australia has a limited supply of wool remaining to be sold in the last month of the season (June). Several sales scheduled in May were cancelled due to a lack of wool.

Demand has picked up in recent weeks, and prices on May 23 were up to 10 percent higher than on May 1. With the small amount of wool remaining to be offered, the season's average price probably will be close to the 60-cent-per-pound average during the first 10 months (July-April). For comparison, the average auction price for greasy wool was 74 cents in 1956-57 and 57 cents in 1955-56.

## CUBAN CATTLE SLAUGHTER LIGHTER

Estimated Cuban cattle slaughter dropped during the first quarter of 1958 from the same period in 1957. Good pastures and price controversies within the cattle industry encouraged producers to hold their animals.

During the first quarter of this year, 687 head of purebred Brahman cattle were exported to Venezuela. This sale was arranged by the Venezuelan Government in 1957 as part of a program to develop its livestock industry (see Foreign Crops and Markets, March 10, 1958).

Another trial shipment of Cuban beef was made to the United States during March (see Foreign Crops and Markets, March 24, 1958). This is the third trial shipment since September 1957, but is said to be the first realizing a profit.

## LIVESTOCK SLAUGHTER AND MEAT PRODUCTION: Cuba, January-March 1956-58

Year	: Cattle :	: Hogs :	: Sheep :	: Goats :	: Meat : produced 1/
	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :	: Million
	: <u>head</u> :	: <u>head</u> :	: <u>head</u> :	: <u>head</u> :	: <u>pounds</u>
1956.....	: 253 :	: 200 :	: 9 :	: 8 :	: 123
1957.....	: 258 :	: 203 :	: 9 :	: 9 :	: 126
1958.....	: 234 :	: 204 :	: 9 :	: 9 :	: 121

1/ Carcass weight.

# BRAZIL GRANTS MORE FAVORABLE EXCHANGE RATE FOR SHELLED NUTS

Brazil's Money and Exchange Superintendency (SUMOC) has authorized the Carteria do Comercio Exterior (CACEX) to raise the exchange rate applicable to exports of shelled nuts from approximately 67 to 90 cruzieros to the U. S. dollar. Trade in shelled Brazil nuts is expected to be stimulated by this increase of about one-third in exchange.

The United States, the United Kingdom, and West Germany are the principal markets for Brazil nuts. During 1957, the United States ranked first among purchasers, taking 3,901 tons out of a total of 6,261 tons of shelled nuts exported, and 7,813 tons out of total in-shell exports of 21,417 tons.

# IRISH LIVESTOCK SITUATION FAVORABLE

Irish farmers are receiving favorable prices for cattle and hogs, but prices for sheep and lambs are much lower than a year ago.

Cattle marketings have dropped from those last year. However, in the second half of 1958 they are expected to increase, so that the year's total may be only moderately below the 1957 record. Cattle exports in first quarter 1958 totaled about 206,000 head, about 79,000 below the near-record exports in first quarter 1957. Beef and veal exports in January-March about equaled those a year earlier. Cattle prices are considerably higher than last year.

Prices of hogs in Ireland have held up very well this year in spite of a sharp upturn in slaughter. Under the Bacon Export Order, 55 percent of Grade A bacon carcasses are to be exported. Most of these go to the United Kingdom. Hog slaughter in the first 3 months of 1958 was more than double that a year earlier and is expected to be heavy throughout the year.

The lower prices for sheep and lambs in 1958 reflect an increase in numbers on farms and less demand from Britain, the chief market. The French market for Irish lamb was reopened in January 1958 and small shipments have been made. However, the trade does not believe this market is very promising due to currency and quota problems. Some lamb has been shipped to the United States, and trade circles are hopeful that this outlet may expand.

The program to eradicate cattle tuberculosis has been accelerated since the Ministry of Finance doubled the appropriation for this work during the 1958-59 fiscal year. By mid-1958, half of the country will be engaged in the eradication campaign, which is one of Ireland's outstanding agricultural programs. Across the Irish Sea, Britain plans to close its borders to tubercular cattle as soon as it is completely rid of the disease. Two-thirds of British cattle have now been attested. Over one-fourth of the cattle are in attested areas, which ban tubercular cattle.



# NEW ZEALAND WOOL PRICES RISE

New Zealand wool prices increased significantly in recent auctions at Auckland and Napier. Prices at Napier on March 24 ranged up to 12 percent higher than prices the previous week at Auckland. U. S. and European demand was strong, but Bradford interests remained quiet. The offering was of good average description with a high proportion of second shear and lambs wool. Following is a comparison of auction prices (greasy ex-store) for selected types:

<u>Description</u>	<u>Type</u>	<u>Dunedin</u>	<u>Auckland</u>	<u>Napier</u>
		<u>Oct. 25, 1957</u>	<u>May 19, 1958</u>	<u>May 24, 1958</u>
		<u>- - - - - U.S. cents per pound - - - - -</u>		
Extra fine crossbred	93B 50/50's	69	52	58
Fine crossbred	100B 50's	64	48	50
Medium crossbred	114B 46/50's	61	44	40
Strong crossbred	128B 46/48's	60	42	45

Source: New Zealand Wool Commission.

## SMALLER FILBERT CROP FORECAST IN ITALY AND SPAIN

The 1958 filbert crops in Italy and Spain will be smaller than the bumper 1957 harvests but larger than average, according to unofficial forecasts.

It is still too early for a reliable forecast of the Italian crop, tentatively estimated at 33,000 short tons, unshelled. Weather has not been unfavorable except for some fog in both the Naples and Messina regions. The 1957 crop was estimated at 40,000 tons, and average production (1951-55) at 31,700 tons.

The Spanish crop is expected to be good, possibly about 19,000 tons, unshelled. While last year's production reached 24,000 tons, average production is only 13,200 tons. Only minor frost damage has been reported this season.

## FRENCH WALNUT PRODUCTION RECOVERS

After 2 years of short crops due to severe frost damage each spring, France is expected to have a normal crop of walnuts in 1958. No frost damage has been reported this year, though the harvest may be about 3 weeks late.

The commercial crop is unofficially forecast at 29,000 short tons, unshelled. In comparison, 1957 and 1956 production amounted to 12,000 and 20,500 tons, respectively. Average production (1951-55) is 28,500 tons.



NO CHANGE IN U. S. IMPORTS  
OF IRAQI DATES

The Iraq Date Trading Company has concluded sales contracts with U. S. firms for a minimum of 17,600 short tons of dates to be shipped in 1958-59. Under the terms of the contracts this figure may be increased 1,100 to 1,700 tons. Maximum 1958-59 exports to the United States could, therefore, total 19,300 tons.

Iraqi date exports to the United States totaled 18,730 tons this season (1957-58), and 19,400 tons in 1956-57.

The IDTC contracts provide for a considerable increase in shipments to Canada. They are to total 6,100 tons in 1958-59, compared with 4,098 tons in 1957-58 and 3,017 tons in 1956-57.

LARGER YUGOSLAV PRUNE  
CROP EXPECTED

A 1958 crop of 770,000 short tons, fresh basis, of prunes and plums is indicated by preliminary unofficial forecasts from Yugoslavia. In 1957, the harvest was 648,000 tons, and the 5-year average (1951-55) was 823,000 tons.

An unusually large proportion of the new crop consists of prunes suited for drying. The set of brandy varieties in Serbia and Bosnia was relatively light, while most of the blue gage plums in Serbia froze. The latter are normally only a small part of the total prune and plum crop.

The bloom and set on the main drying variety, Pozegatcha, was heavy, and an excellent crop is expected unless a summer drop occurs. Yugoslavia's prune production therefore may be much larger than the 1957 pack of 20,000 short tons.

U. K. INCREASES QUOTA FOR  
JAPANESE CANNED FRUIT

The United Kingdom has increased the quota for Japanese canned fruit to be imported between April 1, 1958, and March 31, 1959, from \$238,000 to \$476,000. The new quota permits entry of canned apples, apricots, loquats, peaches, pears, and fruit salad. Previously, only peaches and loquats were included.

To support expansion of the canned food industry, the Japanese Government is promoting tinsplate production. The Export-Import Bank recently authorized a credit of \$7.1 million to Japan for the purchase of U. S. tinsplate manufacturing machinery, including a cold rolling mill and an electrolytic tinning line. This machinery will be used to increase tinsplate production and reduce unit costs.

## TURKISH GOVERNMENT RULES AGAINST PRIVATE BARTER OF FILBERTS AND DRIED FIGS

Three new regulations issued by the Turkish Government since March 1958 are intended to reduce future compensation (barter) deals involving filberts and dried figs.

Turkish manufacturers have been permitted for several years to import raw materials and spare parts, for their own use, through barter transactions for designated items, including filberts and dried figs. As a result of these transactions, filberts and dried figs were sold abroad at prices below the Turkish domestic price.

In late 1957, the Turkish Ministry of Commerce ruled that a manufacturer who imported goods through a barter transaction against the export of filberts could thereafter retain only a 6-month supply of those goods for his own use, the remainder to be distributed by the government to other manufacturers.

In March 1958, this restriction was extended to all barter transactions. And in April, the government ruled that all imports after April 19 under barter deals would be subject to government distribution, and that importing manufacturers could not retain any of the goods.

In May, it was further specified that the 6-month supply of goods imported prior to April 19 and previously allowed to remain in the hands of the importing manufacturers would be deducted from future allocations to these manufacturers.

Most Istanbul businessmen believe that these regulations remove the incentive for barter deals and will therefore effectively eliminate future barter by their firms. It is not clear, however, whether the restrictions apply to the important government-sponsored filbert and fig cooperatives.

## U. S. RICE EXPORTS DOWN IN APRIL

United States rice exports in April were 1,161,000 bags (100 pounds) in terms of milled rice, compared with 1,503,000 bags in March. Exports in April 1957 totaled 2,482,000 bags. The principal countries of destination were Pakistan, Cuba, and Ceylon.

Exports during the August-April period of the current marketing year amounted to 9,525,000 bags, less than half of exports of 22,972,000 bags in the same months of the year before, but more than the 8,103,000 bags in the comparable period 2 years earlier. Thirty-five percent of exports went to Cuba, and 33 percent to Pakistan during the period.

RICE: United States exports, in terms of milled, to specified countries, April 1958, with comparisons 1/

Country of destination	August-July		August-April		April 2/		1958
	1955-56	1956-57	1955-56	1956-57	1957-58	1957	
	bags	bags	bags	bags	bags	bags	bags
Western Hemisphere:							
Canada .....	397	376	340	294	246	26	17
British Honduras .....	35	33	31	18	12	5	6
British West Indies .....	8	137	8	86	99	3/	1
El Salvador .....	44	1	2	3/	0	0	0
Cuba .....	2,927	4,054	2,504	3,252	3,352	313	355
Guatemala .....	30	29	3	19	45	3	3/
Haiti .....	5	58	3	56	7	3/	1
Netherlands Antilles .....	28	42	21	30	38	4	4
Bolivia .....	191	176	153	176	44	0	0
Colombia .....	13	3	10	1	3/	0	0
Peru .....	0	3/	0	3/	330	3/	3/
Surinam .....	0	20	0	20	3/	0	0
Venezuela .....	32	40	32	40	2	4	0
Other countries .....	118	50	72	40	37	4	9
Total .....	3,828	5,019	3,179	4,032	4,212	359	393
Europe:							
Belgium-Luxembourg .....	285	686	183	624	59	70	7
France .....	78	1	5	1	0	0	0
West Germany .....	53	20	27	20	0	14	0
Netherlands .....	31	50	5	50	3	0	0
Sweden .....	9	16	9	16	10	3/	3/
Switzerland .....	22	58	19	58	30	0	2/
Other countries .....	10	39	5	30	19	4	3
Total .....	488	870	253	799	121	88	10
Asia:							
Ceylon .....	0	0	0	0	331	0	331
India .....	215	4,376	215	4,280	0	233	0
Indochina .....	220	10	220	10	3/	0	0
Indonesia .....	516	5,424	0	4,946	0	73	0
Japan .....	2,383	109	2,382	93	4	3/	3/
Korean Republic .....	1	2,746	0	1,884	242	895	0
Pakistan .....	2,653	4,372	1,088	4,152	3,147	788	390
Philippine Republic .....	28	20	25	20	377	0	0
Ryukyu Islands .....	0	207	0	201	0	0	0
Saudi Arabia .....	75	98	65	87	108	1	20
Other Arabian States .....	0	22	0	20	112	3	3
Turkey .....	3	218	0	218	0	0	0
Other countries .....	35	8	18	10	3	7	1
Total .....	6,129	17,610	4,013	15,921	4,324	2,000	745
Total Oceania .....	39	47	26	32	39	3	4
French West Africa .....	625	0	416	0	0	0	0
Liberia .....	276	243	171	157	230	0	3
Other Africa .....	21	19	16	15	12	1	3
Destination not specified .....	26	13	18	10	14	2	2
Total .....	11,432	23,826	8,092	20,966	8,952	2,453	1,160
Section 416 donations .....	967	2,036	11	2,006	573	29	1
Ground rough rice for animal feed:	514	288	-	-	0	0	0
World total .....	12,913	26,150	8,103	22,972	9,525	2,482	1,161

1/ Includes brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent. 2/ Preliminary. 3/ Less than 500 cwt. 4/ Programmed by ICA and shipped by the Army.

Source: Bureau of the Census and Department of Agriculture.



## BURMA'S RICE EXPORT PROSPECTS IMPROVE

Burmese rice supplies available for export in 1958 are estimated at 1,500,000 long tons of milled rice, a much larger volume than predicted earlier in the year. Seasonal rains started on time early in May, and permitted the planting of increased areas in rice for the 1958-59 crop.

The 1957-58 rice harvest, down sharply from the preceding year, is estimated at 3,850,000 tons of milled rice, compared with 4,650,000 tons in 1956-57. However, carryover stocks on January 1, 1958, were around 800,000 tons. The large stocks helped offset the decrease in production.

Burma's rice is in heavy demand in foreign countries. With the higher prices it is receiving, Burma should make up some of the loss of foreign exchange earnings from reduced exports in 1958. Milled rice exports in 1957 were 1,726,000 tons.

WORLD WHEAT TRADE IN 1957-58 MAY  
BE SECOND HIGHEST ON RECORD

The volume of world wheat trade in 1957-58 will probably be the second highest on record, judging by present indications.

Although the current year's exports will be down from the record 1,280 million bushels of last year, they are expected to reach about 1,100 million bushels and thus exceed the 1951-52 level of 1,066 million bushels. Exports of 1,100 million bushels would be about 17 percent above the 10-year (1946-55) average of 941 million bushels, and about 72 percent above the 5-year (1935-39) average of 639 million bushels.

The primary factor in the decline from last year is the improved supply situation in several major importing countries, particularly in Western Europe. Carryin stocks were generally higher, and a number of countries harvested record crops.

U. S. exports in 1957-58 will probably fall short of earlier estimates of 400 million bushels by 5 to 10 million bushels. Recent shipments have fallen off somewhat owing to a smaller volume of purchases under Public Law 480 authorizations than was expected several weeks ago. Judging from the rather sharp decline in export sales during recent weeks, shipments are not likely to speed up much before the end of the current crop year.

Canada's exports during the current U. S. marketing year will exceed last year's level of 282 million bushels and may even top 300 million. Large exports of wheat under a new credit program, a continued strong market in Western Europe, and large purchases by the U.S.S.R. are among the major reasons.

France is the only exporter showing a pronounced increase in exports over last year, while the largest relative declines are expected to be in shipments of Australia, U.S.S.R., and the United States.



# WATER SHORTAGE THREATENS IRAN'S RICE CROP

Iranian rice growers are concerned over a lack of irrigation water. Seasonal rains failed to materialize following below-normal snowfall in the Elburz Mountains last winter. The water shortage was making it difficult to transplant the 1958 crop around the first of June.

## U. S. GRASS AND LEGUME SEED EXPORTS IN APRIL SHOW SEASONAL DECLINE

The United States exported  $2\frac{1}{4}$  million pounds of seed in April, bringing total shipments for the first 10 months of this crop year to 41,885,000 pounds, compared with 40,126,000 pounds for the same period last year.

More than 59 percent of April's exports went to Canada. Fescue, Timothy, and Kentucky bluegrass continued to move in substantial volume.

### GRASS AND LEGUME SEEDS: U. S. exports, April 1958, with comparisons

Kind of seed	April		July 1 to April 30	
	1957	1958	1957	1958
	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Alfalfa, certified.....	1/	285	1/	1/
Alfalfa, uncertified.....	1/	173	1/	1/
Alfalfa, total.....	899	458	16,811	17,740
Alsike.....	55	70	631	795
Ladino.....	1/	70	1/	1/
Clovers, other.....	329	96	6,237	3,394
Bentgrass.....	1/	209	1/	1/
Fescue.....	134	196	2,725	3,330
Kentucky bluegrass.....	19	42	879	977
Orchardgrass.....	54	9	61	183
Redtop.....	4	16	590	683
Timothy.....	0	114	1,083	2,336
Grasses, other.....	1,014	971	11,109	12,447
Total.....	2,508	2,251	40,126	41,885

1/ Prior to January 1, 1958, certified and uncertified alfalfa combined; Ladino included in "other clovers"; and bentgrass included in "other grasses."

## MALAYA'S RICE CROP BETTER THAN EXPECTED

Malaya is harvesting a record rice crop, according to the latest estimate. Despite an earlier forecast of decreased production, mainly because of long spells of dry weather in certain areas, it now appears the 1957-58 harvest will exceed the previous record crop of 1956-57.

The latest production estimate for 1957-58 is 1,770 million pounds of rough rice, compared with the previous estimate of approximately 1,600 million pounds, and with 1,751 million pounds in 1956-57. The crop is 15 percent above the average from 1950-51 through 54-55.

Three Japanese rice experts toured the principal producing areas early in May making a preliminary survey before the arrival in July of a full team of fine-rice experts. The latter group is expected to be in Malaya about one year.

Results of the preliminary survey indicated that Malaya's immediate needs to grow more rice were (1) improved methods of fertilizing, (2) education of rice farmers; and (3) construction of more effective irrigation systems. It was believed Malaya could materially increase rice output.

## CANADA'S GRAIN SEEDING NEARING COMPLETION

Spring grain seeding in Canada was nearing completion at the end of May. An estimated 94 percent of the planned acreage for spring grains had been seeded by that time, the same percentage as on May 31, 1957, but 10 percent more than on that date of 1956.

Spring came early in Canada this year and full-scale seeding was underway somewhat earlier than a year earlier. During the last half of May, many parts of the Prairie Provinces were dry, and growers delayed seeding of oats and barley, waiting for more favorable conditions. Despite these intentional delays, 95 percent of the spring grain in the Prairie Provinces was in the ground by the end of May.

Spring wheat seeding was completed, and 92 percent of the barley and oats acreage for the entire country had been planted. Mixed grain seeding had been 89 percent completed.

Damage to winter grain crops was relatively light again this year. Winterkill of wheat is estimated at 5 percent of the acreage, compared with 4 percent a year ago. Winter rye loss was also about 5 percent, compared with 8 percent last year. Loss of tame hay acreage is placed at 6 percent, the same as a year ago.

Condition of winter wheat in Ontario was reported as average or better by 82 percent of the correspondents reporting, while 18 percent reported it below average. Ontario is the only province reporting winter wheat separately. Minor amounts grown elsewhere are included in spring wheat data. Canada's winter wheat acreage for 1957 was estimated at 590,000 acres out of a total of 21.0 million acres for all wheat. Acreage seeded for 1958 is reported to be 5 percent less than last year.

#### INDIA ABOLISHES EXPORT DUTY ON CERTAIN OILCAKES

Effective May 23, 1958, the Government of India abolished the export duty on several kinds of oilcakes. Since the duty was not removed from peanut, copra, mowra, tobacco seed, need seed, or decorticated cottonseed oilcakes, it appears that the items affected are linseed, nigerseed, and sesame seed oilcakes, of which minor quantities have been exported in the past.

#### FINLAND'S 1957 GRAIN PRODUCTION REVISED

Finland's 1957 grain production was smaller than expected, according to the recently released final official estimate. Though less than forecast earlier, the 1957 crop was larger than the 1956 harvest. Larger oats and barley crops more than offset smaller outturns of wheat and rye.

Grain acreage was 25 percent less than in 1956, but larger yields, especially for oats, brought total grain production above the 1956 total. A good hay crop raised forage production 13 percent over 1956.

GRAIN: Finland acreage and production, average 1950-1954,  
annual 1955-57

Crop	Area				Production			
	Average:	1955	1956	1957	Average:	1955	1956	1957
	1950-54:				1950-54:			
	1,000 acres				1,000 bushels			
Wheat.....	377	: 307	: 328	: 280	8,740	: 6,970	: 7,300	: 6,490
Rye.....	276	: 213	: 219	: 211	6,690	: 4,670	: 4,870	: 4,540
Barley.....	358	: 437	: 477	: 545	10,900	: 12,040	: 13,140	: 15,980
Oats.....	1,143	: 1,153	: 1,146	: 1,023	53,800	: 44,350	: 45,400	: 48,100

From official sources.



## YUGOSLAVIA'S 1958 GRAIN CROP EXPECTED TO BE AVERAGE

In contrast with bumper grain crops of 1957, Yugoslavia's grain yields this year are expected to be only average, mainly because the season is late. Preliminary unofficial estimates are for a wheat crop of about 75 million bushels, compared with the record 1957 harvest of 114 million bushels. The area seeded to wheat is believed to be slightly larger than in 1957.

Early-sown fields are of normal height, and yield prospects are good. Reports at the end of May, however, indicated that late-sown wheat was short and heading out prematurely. Hot, dry weather at that time made the outlook for late-sown wheat unpromising. Two periods of very high temperatures in May had made the grain develop too rapidly for best yields, and there were adverse strong winds during the second dry spell.

The rye crop is expected to be better than average. Acreage in barley and oats is somewhat smaller than last year. These are mainly spring-sown crops and a wet spring prevented seeding the intended acreage. Yields are expected to be above average, though less than last year's large yields.

An increase in corn acreage was expected this season, with diversion to corn of some land intended for barley and oats that could not be seeded because of wetness. However, the lateness of the season delayed preparation of the land, and the full acreage intended for corn may not have been planted.

## PHILIPPINE COPRA AND COCONUT OIL EXPORTS DOWN ONE-FIFTH FROM LAST YEAR

Philippine exports of copra and coconut oil in the first 5 months of 1958 were 222,823 long tons, oil basis, a decline of over one-fifth from shipments in January-May 1957.

Copra exports in May were nearly 10 percent above April shipments but 30 percent below those of May 1957. January-May shipments totaled 296,174 tons of copra, a decline of nearly one-fourth from the volume shipped in the first 5 months of 1957.

May shipments of coconut oil were 10 percent below those of April but up two-thirds from May 1957 exports. Cumulative January-May coconut oil shipments of 36,233 tons were 97 percent of the tonnage shipped in the comparable period of 1957.

The Philippine copra export price in mid-June was about \$177.50 per short ton c.i.f. Pacific Coast (mid-May, \$187, mid-April, \$183). Local buying prices were reported at 30 to 35 pesos per 100 kilograms (\$152.41 to \$177.81 per long ton) resecada Manila and producing areas.



COPRA: Philippine Republic, exports by country of destination,  
May and January-May 1957 and 1958

Country of destination	1957 1/		1958 1/	
	May	January-May	May	January-May
	Long tons	Long tons	Long tons	Long tons
North America:				
United States.....	15,690	103,380	27,893	107,306
Atlantic Coast.....	( 2,994 )	( 13,264 )	( 27,893 )	( 107,306 )
Pacific Coast.....	( 12,696 )	( 90,116 )	( --- )	( --- )
Canada.....	450	6,400	---	1,800
Total.....	16,140	109,780	27,893	109,106
South America:				
Colombia.....	14,145	24,145	1,100	20,753
Venezuela.....	2,500	11,200	---	3,000
Total.....	16,645	35,345	1,100	23,753
Europe:				
Belgium.....	---	4,000	1,000	5,000
Denmark.....	7,300	17,775	500	5,300
France.....	---	---	---	4,310
Germany, West.....	2,000	19,634	5,750	25,965
Italy.....	500	11,187	---	2,900
Netherlands.....	30,700	146,861	15,250	76,043
Norway.....	1,500	10,001	---	500
Sweden.....	1,000	14,300	7,000	10,500
Optional discharge 2/.....	6,000	11,000	---	26,577
Total.....	49,000	234,758	29,500	157,095
Asia:				
Israel.....	---	3,100	---	3,020
Japan.....	1,337	3,964	---	---
Lebanon.....	1,400	1,900	500	3,200
Total.....	2,737	8,964	500	6,220
Grand total.....	84,522	388,847	58,993	296,174

1/ Preliminary. 2/ West Germany, Netherlands, or Belgium.

Source: Philippine trade sources.

COCONUT OIL: Philippine Republic, exports by country of destination,  
May and January-May 1957 and 1958

Country of destination	1957 1/		1958 1/	
	May	January-May	May	January-May
	Long tons	Long tons	Long tons	Long tons
North America:				
United States.....	4,817	26,915	7,645	31,069
Atlantic Coast.....	( 4,017 )	( 25,764 )	( 7,645 )	( 31,069 )
Pacific Coast.....	( --- )	( 351 )	( --- )	( --- )
Gulf Coast.....	( 800 )	( 800 )	( --- )	( --- )
Cuba.....	350	695	---	350
Total.....	5,167	27,610	7,645	31,419
Europe:				
Germany, West.....	---	1,427	---	---
Netherlands.....	151	7,564	1,090	4,814
Optional discharge 2/.....	---	850	---	---
Total.....	151	9,841	1,090	4,814
Grand total.....	5,318	37,451	8,735	36,233

1/ Preliminary. 2/ West Germany or Netherlands.

Source: Philippine trade sources.

## WEST GERMAN GRAIN PROSPECTS GOOD

Winter grain crops in West Germany are now in good condition after a delayed start because of too-cool weather in April. At the end of April, field work and winter grain development were about 4 weeks behind normal. Unusually warm weather in May was helpful, and winter grains now look good.

Winterkill was slight and there was relatively little plowing up to reseed this spring. Another favorable factor this season is the greater use of the major types of fertilizer.

## CUBAN VEGETABLE OIL MARKET MAINLY OLIVE AND SOYBEAN OILS

Olive oil and soybean oil are expected to continue to predominate the Cuban vegetable oil market in 1958. As in the past, practically all of the olive oil is expected to be supplied by Spain, and all the soybean oil will come from the United States.

Whenever income permits, the average consumer usually prefers olive oil to less expensive oils. However, "imitation" olive oil (soybean oil with flavor and color added) is gaining popularity as a substitute, chiefly because of price advantage to the consumer.

Peanut oil, still the medium-priced oil in the Cuban market, showed only moderate marketing gains last year.

Inedible coconut oil continued to be by far the predominant vegetable oil used by the local soap industry in 1957, and marketings in 1958 are expected to approximate those the previous year.

Cuba's total supply of vegetable oils was about 24,000 short tons in 1957, an increase of 9 percent from 1956. The improved position was due to larger imports of olive, soybean, and peanut oils. Output of peanut oil, the only vegetable oil produced domestically, declined slightly. Peanut production dropped from 12,000 tons (unshelled) in 1956 to 10,000 tons last year. Vegetable oil consumption increased about 6 percent in 1957. Stocks at the close of 1957 were 50 percent larger than a year earlier.

A new plant, which will produce soybean oil and meal, is expected to open in September. The plant is said to have the capacity for processing 1,000 short tons (33,000 bushels) of soybeans per month, and the operating firm expects to import all the soybeans from the United States.

VEGETABLE OILS: Cuba's supply and distribution,  
annual 1956 and 1957 and forecast 1958

Vegetable oil	1956	1957	Forecast 1958
	<u>1,000 short tons</u>	<u>1,000 short tons</u>	<u>1,000 short tons</u>
Beginning stocks, January 1:			
Peanut.....	.6	.4	.6
Olive.....	1.0	.2	.9
Soybean.....	.3	.3	.7
Cottonseed.....	.2	.1	.2
Coconut.....	.4	.7	.3
Total.....	2.5	1.7	2.6
Production:			
Peanut.....	1.5	1.4	1.5
Soybean.....	0	0	1/ .5
Total.....	1.5	1.4	2.0
Imports:			
Peanut.....	.4	1.2	.9
Olive.....	6.8	8.5	8.0
Soybean.....	5.2	6.2	5.5
Cottonseed.....	.4	.4	.4
Coconut.....	4.0	3.3	3.5
Others.....	1.5	1.5	1.5
Total.....	18.3	21.2	19.9
Total supply:			
Peanut.....	2.4	3.0	2.9
Olive.....	7.8	8.7	8.9
Soybean.....	5.6	6.6	6.7
Cottonseed.....	.6	.6	.6
Coconut.....	4.4	4.0	3.9
Others.....	1.5	1.5	1.5
Total.....	22.2	24.3	24.4
Consumption:			
Peanut.....	2.0	2.4	2.4
Olive.....	7.5	7.8	8.0
Soybean.....	5.2	5.9	6.0
Cottonseed.....	.5	.4	.4
Coconut.....	3.7	3.6	3.5
Others.....	1.5	1.5	1.5
Total.....	20.5	21.7	22.0
Exports:	0	0	0
Ending stocks, December 31:			
Peanut.....	.4	.6	.5
Olive.....	.2	.9	.9
Soybean.....	.3	.7	.7
Cottonseed.....	.1	.2	.1
Coconut.....	.7	.3	.3
Total.....	1.7	2.6	2.5
Total distribution:			
Peanut.....	2.4	3.0	2.9
Olive.....	7.8	8.7	8.9
Soybean.....	5.6	6.6	6.7
Cottonseed.....	.6	.6	.6
Coconut.....	4.4	4.0	3.9
Others.....	1.5	1.5	1.5
Total.....	22.2	24.3	24.4

Totals computed from unrounded figures.

1/ Estimated on the assumption that a new plant will begin operation in late September, using for a 3-month period 1,000 tons of soybeans per month.



## INDONESIA EXPORTING LESS COPRA

Indonesian registered exports of copra in January-April 1958 were 16,977 gross long tons, about one-fifth the volume shipped in the first 4 months of 1958. Reports for the same 4-month period indicate that unregistered shipments to Malaya-Singapore and to North Borneo may have totaled 60,000 tons. During the first 2 months of 1958, Indonesian copra was reportedly moving unregistered to Malaya-Singapore at the rate of about 12,000 tons per month, and to North Borneo at the rate of 3,000 to 4,000 tons per month.

Copra cake exports of 7,778 long tons in April were 11 percent higher than those of March. Shipments in the first 4 months of this year totaled 34,916 tons, a decline of 5 percent from the comparable period of 1957.

Palm oil exports in April were 12,036 short tons, up one-half from March. January-April shipments totaled 35,646 tons, twice the volume shipped in the first 4 months of 1957.

Palm kernel exports of 3,143 short tons in April were nearly one-fifth below those of March. Cumulative January-April shipments of 14,832 tons were about 6 percent above the volume exported in the first 4 months of 1957.

## AUSTRALIA AND JAPAN REVIEW TRADE AGREEMENT

Australia and Japan have concluded the first of the annual consultations provided for in the trade agreement ratified by the two countries in July 1957. Mr. J. McEwen, Australian Minister of Trade, summarized the conclusion of the talks by saying that both governments are satisfied that the procedures adopted to implement the pact are operating effectively and with mutual advantage to the trade of both countries.

Japan continues to be a major market for Australia's wool. And under the terms of the agreement, Japan has provided new markets for Australian wheat, sugar, raisins, and dried milk. Australia is also assured equal rights with other suppliers in the Japanese market for such agricultural products as barley, tallow, and hides and skins.

Australian exports to Japan for fiscal 1957-58 will probably exceed the average value of \$211 million for the preceding 3 years, but will fall below the record figure of \$311 million for 1956-57, owing to the decline in wool prices and also to the decrease in grain exports because of the drought. Japanese exports to Australia are increasing and are expected to total \$56 million for 1957-58, compared with \$29 million at the end of 1956-57.

## U. S. COTTON EXPORTS INCREASE IN APRIL

U. S. cotton exports (all types) were 501,000 running bales in April 1958, up 4 percent from March exports of 480,000 bales, but 17 percent below exports of 603,000 bales in April 1957. Exports during August-April 1957-58 were 4,280,000 bales, compared with 5,991,000 bales in the corresponding period of 1956-57. Comparable figures in 500-pound gross weight bales will be published in Foreign Crops and Markets when they are available.

Principal destinations of exports during August-April 1957-58, with comparable 1956-57 figures in parentheses, were: Japan 845,000 bales (1,185,000); United Kingdom 549,000 (779,000); West Germany 520,000 (826,000); and Italy 426,000 (541,000).

## EL SALVADOR'S 1957-58 COTTON CROP AT RECORD LEVEL

El Salvador's 1957-58 cotton crop is estimated at a record 157,000 bales (500 pounds gross). This is 15 percent more than the 137,000 bales grown in 1956-57, and is 18 percent higher than the 1955-56 crop of 133,000 bales. The increase is attributed to slightly larger acreage, continued improvement in cultural practices, and favorable weather. The quality of the current crop is said to be better than in 1956-57.

There were 99,000 acres planted to cotton this season, compared with 95,000 acres in 1956-57, and 113,000 acres in 1955-56. Because of large stocks of cotton, limited farming land, and strong competition from other crops, the area planted to cotton is expected to level off at around 100,000 acres in the next few years. Fluctuations within this range will probably depend on the price of cotton.

Cotton consumption is expected to reach 17,000 bales in 1957-58, as the new Japanese-equipped textile mill at San Salvador is now operating. Consumption amounted to 16,000 bales last season and 13,000 bales in 1955-56.

El Salvador exported 103,000 bales of cotton in August-May 1957-58. This was 36 percent more than the 76,000 bales shipped in the same period of 1956-57. Principal countries of destinations were Japan, West Germany, the United Kingdom, and the Netherlands.

Prices of cotton sold to domestic spinners by the Cotton Cooperative ranged from 25.74 cents per pound for low qualities to 31.85 cents per pound for high qualities. These prices are expected to be in effect until December 31, 1958. The tax of 5.50 colones per quintal (2.17 cents per pound) on cotton sold for domestic use was revoked in January 1958.

## BELGIUM'S COTTON IMPORTS DECLINE

Imports of cotton into Belgium during August-February 1957-58 were 272,000 bales (500 pounds gross), a decline of 15 percent from imports of 319,000 bales in the comparable 1956-57 period. The smaller imports resulted from increasing stocks of finished goods and a slackening in consumer demand.

Imports from the United States during August-February were 150,000 bales, compared with 167,000 bales a year earlier. This represents a decline of 10 percent in volume, although the U. S. share of Belgium's total imports increased to 55 percent in the period under review, in contrast to 52 percent of the total in August-February 1956-57.

Quantities imported from principal sources during August-February 1957-58, with comparable 1956-57 figures in parentheses, were: United States 150,000 bales (167,000); Belgian Congo 52,000 (49,000); Mexico 41,000 (48,000); Peru 13,000 (25,000); Egypt 4,000 (4,000); U.S.S.R. 3,000 (6,000); Nicaragua 2,000 (691); Sudan 2,000 (856); Pakistan 1,000 (186); and Argentina 1,000 (361).

Cotton consumption amounted to 224,000 bales during the first half (August-January) of the 1957-58 season, or 6 percent below the 239,000 bales used in the first half of 1956-57. The use of U. S. cotton increased to 125,000 bales, or 56 percent of total consumption, compared with 60,000 bales or only 25 percent of the total in August-January of last year. There has been some cutback in both spinning and weaving operations in recent months as a result of declining orders and increasing stocks of finished goods held by the mills.

Production of cotton yarn during August-December 1957 totaled 40,668 metric tons, down slightly from the 41,141 metric tons produced in the same months of 1956. The August-December yarn production consisted of 38,042 metric tons of fine yarn and 2,626 metric tons of carded yarn.

Cotton fabric production in August-December declined 6 percent, amounting to 34,074 metric tons, compared with 36,402 metric tons in August-December 1956.

Cotton stocks on January 31, 1958, were reported at 159,000 bales, up 38 percent from stocks of 115,000 bales a year earlier. U. S. cotton constituted 71,000 bales, or 45 percent of the January 31 stocks, compared with 55,000 bales or 48 percent of total stocks in 1957.

Cotton prices on the Belgian market have been weak since January 1958, and marketing activity has been at a low level compared with last year.



PERU'S 1957-58 COTTON CROP SLIGHTLY  
LARGER THAN YEAR EARLIER

Peru's 1957-58 cotton production is now estimated at 499,000 bales (500 pounds gross) from an area of 544,000 acres, compared with 494,000 bales from 556,000 acres in 1956-57. This is an increase in production of 1 percent although acreage declined by about 2 percent.

All of this year's increase was in the crop of Tanguis cotton, which rose to 412,000 bales, compared with 392,000 bales in 1956-57. This increase was attributed to generally favorable growing conditions, more effective cultural practices, and improved methods of insect control. Less favorable growing conditions and insect damage caused Pima and Karnak production to decline from the high level of 107,000 bales in 1956-57 to 87,000 bales this season. Production of Pima and Karnak in the 1958-59 season, harvested principally during August and September, is tentatively estimated at 95,000 bales.

Peru's cotton exports during August-March 1957-58 were 186,000 bales, down 23 percent from the 243,000 bales exported in the comparable 1956-57 period. Reduced exports of Tanguis cotton were partly offset by increased exports of Pima and Karnak. Exports to the United States were more than double the low figure for the same period a year earlier.

Exports by country of destination are available only through February 1958. Quantities exported to principal destinations during August-February 1957-58, with comparable 1956-57 figures in parentheses, were: United Kingdom 27,000 bales (42,000); Belgium 25,000 (41,000); West Germany 21,000 (30,000); Netherlands 14,000 (12,000); United States 13,000 (6,000); Switzerland 13,000 (12,000); and Chile 11,000 (303).

Peru's exports in the 1956-57 marketing season (August-July) were 378,000 bales, a decline of 22 percent from the unusually high exports of 487,000 bales in 1955-56. Principal destinations of the 1956-57 exports were the United Kingdom, Belgium, West Germany, France, Japan, the Netherlands, Switzerland, Italy, Argentina, and Denmark.

Cotton consumption in the 1957-58 season is estimated at 75,000 bales, 12 percent below the 85,000 bales used in 1956-57. The decline is attributed to reluctance of banks to make loans to the textile industry, and to stronger competition from imported textiles. Because of the earlier Tanguis harvest this year, port stocks increased to 198,000 bales on May 29, 1958, compared with 124,000 bales a year earlier.

The total export price (spot price plus export tax) for Pima Type 1 cotton was 35.91 cents per pound on May 22, 1958, against 47.11 cents on January 2, 1958. Total export price for Tanguis Type 3½ dropped from 37.68 cents per pound on January 2, to a low of 30.82 cents on April 10, and advanced to 31.74 cents per pound on May 22, 1958.

## BRAZIL SUSPENDS COTTON EXPORT SALES

On May 16, 1958, the Bank of Brazil suspended export sales of cotton from the 1957-58 South Brazilian crop. The purpose of this action was to assure ample cotton supplies for the domestic textile industry in coming months.

It is believed that from 135,000 to 160,000 bales had been registered for export up to the date of suspension. Few, if any, additional export sales are expected in the remainder of calendar year 1958, except possibly some low-grade cotton carried over from previous crops.

## JAPAN PROGRAMS INCREASED WHEAT IMPORTS IN 1958-59

Japanese purchase commitments for foreign wheat during the country's 1958-59 fiscal year have been set tentatively at 2,149,000 metric tons, of which 1,253,000 tons were programmed for purchase during April-September and 896,000 tons during October-March.

The 1958-59 commitments are 6 percent more than 1957-58 commitments of 2,032,000 tons, which were programmed at 992,000 tons for April-September and 1,040,000 tons for October-March. The government has indicated that the current season's purchase program will be revised next September.

The 1958-59 import program takes into account reduced stocks resulting from a reduction in the 1957 crop, lower imports in calendar 1957, and an upward trend in consumption of wheat products. Stocks of wheat in all positions on January 1, 1958, were placed at 1,472,000 tons, compared with 1,573,000 tons a year earlier. Consumption during 1957-58 (April-March) is estimated at 2,132,800 tons, compared with 2,018,800 tons in 1956-57.

The tentative proportion of the different types of imported wheat to be purchased in 1958-59 is 46 percent soft, 12 percent semi-hard, and 42 percent hard wheat -- about the same as in 1957-58.

According to the Japanese Food Agency, the protein content of imported soft wheat has been increasing while that of hard wheat has been decreasing. Former premium characteristics of semi-hard wheat are becoming less attractive, although prices of semi-hard wheat remain higher than those of other types. Indications are that the government may reduce imports of semi-hard wheat and increase those of soft and hard wheats.

Japan has announced that it plans to import 270,000 metric tons of feed wheat in 1958-59, an increase of 59 percent over the 170,000 tons imported in 1957-58, all of which came from Canada. One-third of the imports will be sold as feed grain and two-thirds for processing into bran and flour. The government considers it more economical to import low-grade wheat for feed than to import wheat bran. Feed wheat can be imported only by the government. Consideration is also being given to importing Uruguayan and Argentine low-grade wheat for feed and industrial use.

All of Japan's wheat trade is controlled by the government. To encourage domestic production, the government each year sets a price at which it will purchase home-grown wheat of a specified standard. For the 1957 crop, the guaranteed price for standard grade wheat was \$2.77 per bushel. Farmers sell directly to millers and private traders, the government's price acting as a floor. The guaranteed price for the 1958 crop has not yet been announced.

Importing is done by registered traders under government licenses issued for specified quantities and types on the basis of bids. The import licenses are issued to traders submitting the lowest bids. The government then releases the needed foreign exchange. Traders sell the imported wheat to the government at the bid prices. The government in turn sells it on the domestic market at higher prices. Profits are used to cover losses by the government on its sales of domestic wheat. It has been selling domestic wheat under guaranteed levels in order to hold down bread prices.

#### FOREIGN CROPS AND MARKETS

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